



Office of the Deputy Mayor for Planning & Economic Development Performance Oversight

March 1, 2017

Implements the Mayor's Economic Development vision

Three Primary Pillars:

1. Increase Affordable Housing
2. Create Jobs for DC Residents
3. Generate Tax Revenue

Real Estate and Housing	Business Development
<ul style="list-style-type: none">• Projects across all 8 Wards• Portfolio worth more than \$13 billion• New Communities Initiative• Ranging from large to small scale• Affordable housing	<ul style="list-style-type: none">• Economic Strategy to grow economy inclusively• Great Streets to help longtime businesses• Tech and Innovation focusing on inclusion• Creative Economy• International Business Development

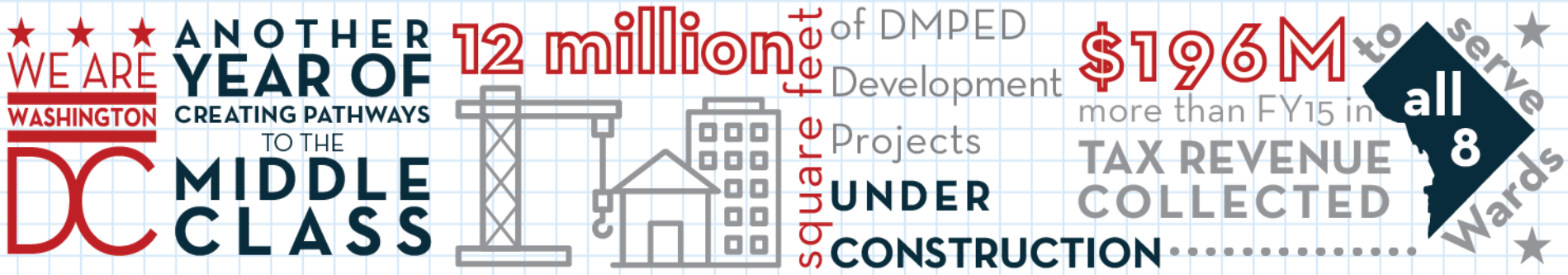
Economic Development Cluster Agencies



Executive Agencies	Independent Agencies
<ul style="list-style-type: none">• Commission on the Arts and Humanities (CAH)• Department of Consumer and Regulatory Affairs (DCRA)• Department on Housing and Community Development (DHCD)• District Department of Transportation (DDOT)• Department of Insurance, Securities, and Banking (DISB)• Office of Planning (OP)• Office of Cable Television, Film, Music and Entertainment (OCTFME)• Department of Energy and Environment (DOEE)• Department of For Hire Vehicles (DFHV)	<ul style="list-style-type: none">• Alcoholic Beverage Regulation Administration (ABRA)• DC Housing Authority (DCHA)• DC Housing Finance Agency (DCHFA)• Office of the Tenant Advocate (OTA)• Real Property Tax Appeals Commission (RPTAC)

DMPED 2016 DMPED ECONOMIC SNAPSHOT

OFFICE OF THE DEPUTY MAYOR FOR
PLANNING & ECONOMIC DEVELOPMENT



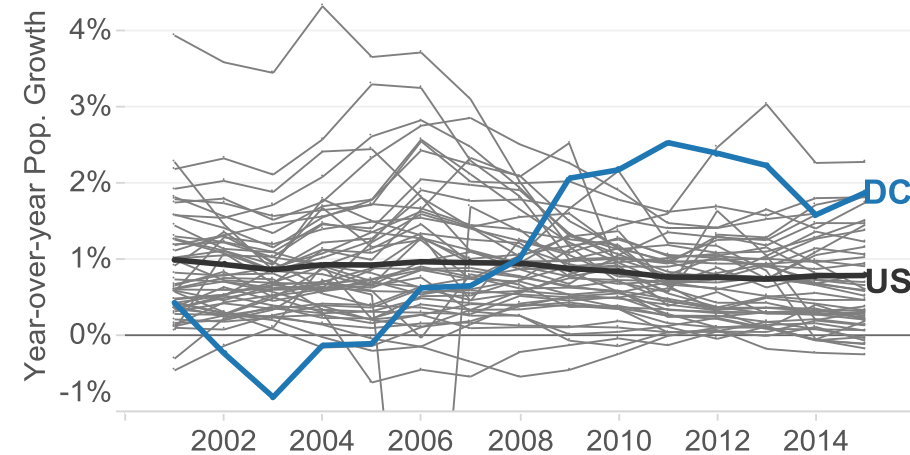
2016 Accomplishments



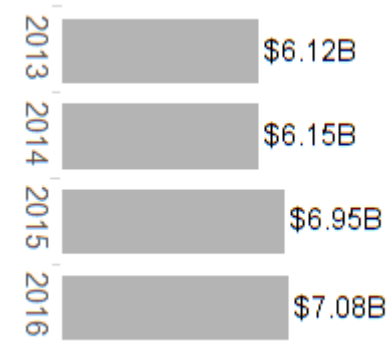
	Job Creation	Tax Revenue	Affordable Housing	Good Government		Job Creation	Tax Revenue	Aff. Housing	Good Gov't
Strike Force report released			✓	✓	Pathways to Inclusion Report released	✓			✓
Deanwood Hills groundbreaking	✓	✓	✓		Inclusive Innovation Incubator (In3)	✓			
Walter Reed official transfer	✓	✓	✓		DC Presence at SXSW	✓	✓		
MLK Gateway developer selected	✓	✓	✓		\$620M in IRB Financing	✓	✓		
Crummell School developer selected	✓	✓	✓		New Sports & Entertainment Arena at St. Elizabeths East	✓	✓		
Capitol Vista developer selected	✓	✓	✓		Busboys & Poets / FSFSC Groundbreaking	✓	✓		
Parcel 42 developer selected	✓	✓	✓		Plaza West Closing	✓	✓	✓	
Truxton Circle developer selected	✓	✓	✓		DC United Soccer Stadium Closing	✓	✓		
McMillan groundbreaking	✓	✓	✓		Great Streets Grants Funded: \$5.3M to 90+ recipients	✓	✓		
Our RFP Pilots	✓	✓		✓	City Center Conrad Hotel closing/groundbreaking	✓	✓		
InnoMAYtion 2016	✓	✓		✓	International Business Guide	✓	✓		
Doing Business in the District Guide release	✓	✓		✓	DC Water relocation – Ames Place acquisition	✓	✓		
Great Streets Conference	✓	✓			March Madness	✓		✓	
Economic Intelligence Roundtables				✓	New Communities Human Capital grants	✓		✓	
Cherry Blossom Festival support		✓							
Economic Strategy public forums				✓					
Economic Intelligence Ward Tool				✓					

Economic Tailwinds

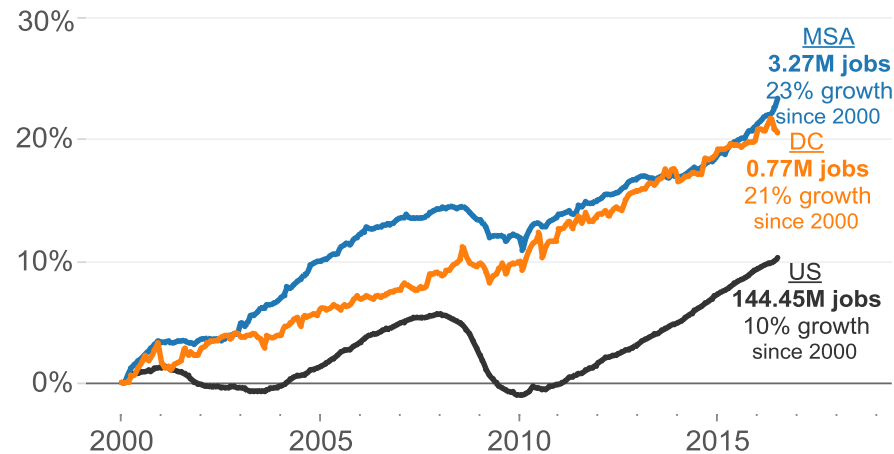
Population Growth, DC vs. States | 2000 - 2015



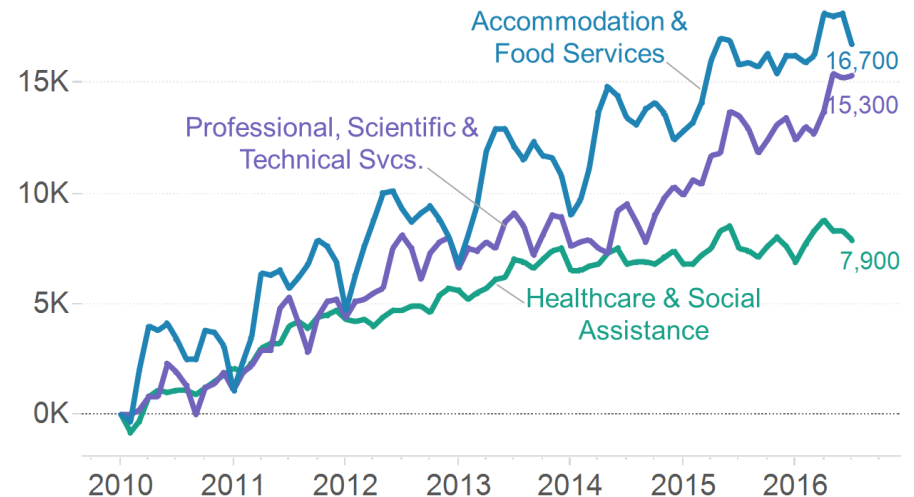
Tax Revenue in DC by Fiscal Year



Job Growth Since 2000

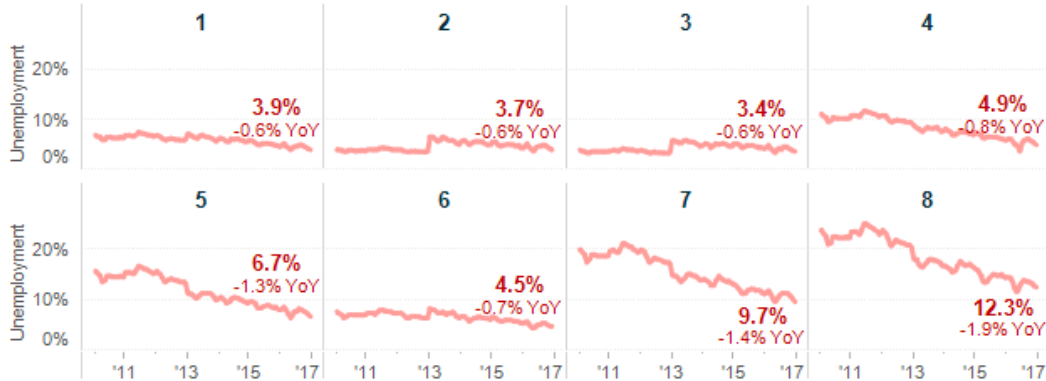


Cumulative Jobs Added/Lost Since 2010 by Industry



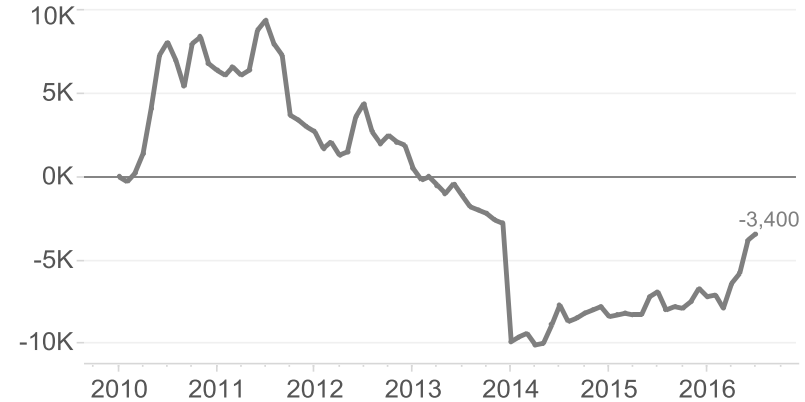
Economic Headwinds

Unemployment Rate by Ward (as of Dec. 2016)



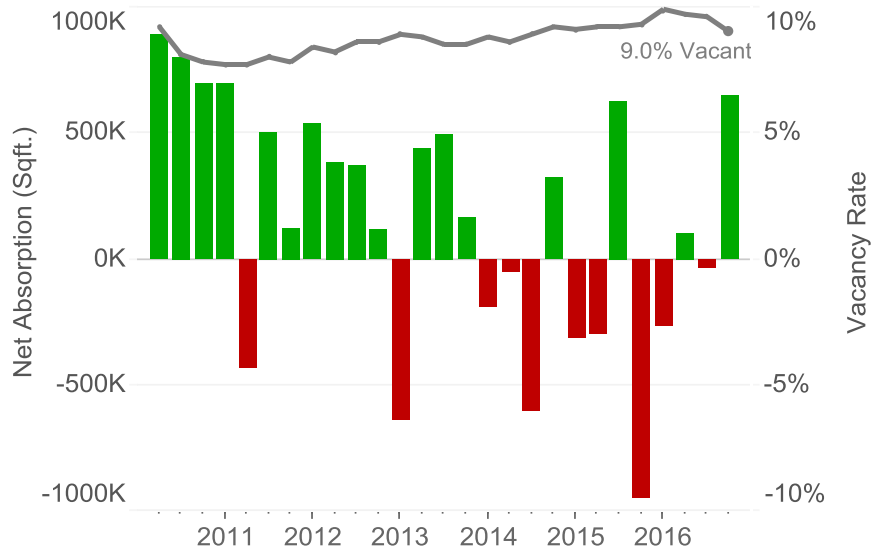
Source: DC Department of Employment Services

Cumulative Fed. Jobs Added/Lost Since 2010 (In DC)



Source: BLS

High Office Vacancy Rate, Downward Trend in Absorption



Source: CoStar

Record Number of Rental Units Projected to Deliver in 2017

	COMPLETED		PROJECTED	
	RENTAL	HO	RENTAL	HO
2008	3,121	1,161	4,282	
2009	2,721	912	3,633	
2010	1,385	524	1,909	
2011	1,574	369	1,943	
2012	3,428	482	3,910	
2013	3,918	567	4,485	
2014	5,991	318	6,309	
2015	2,595	704	3,299	
2016 ^{1,2}	3,044	307	2,524	649
2017 ^{1,2}			7,054	976
2018 ^{1,2}	3,385		3,419	

Source: WDCEP

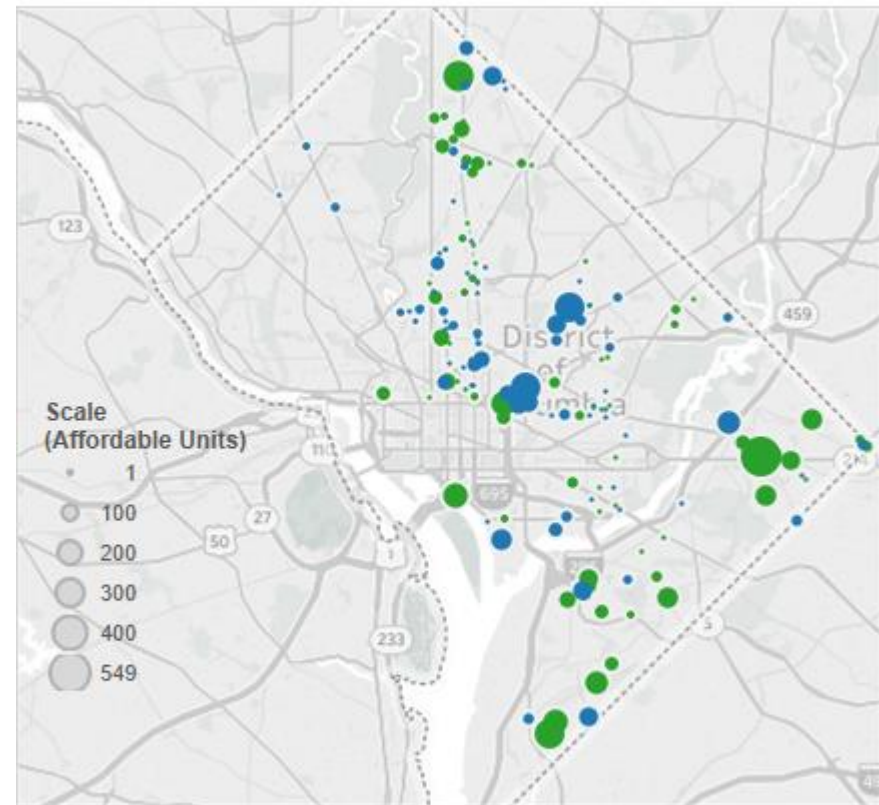
Affordable Housing: Highlights

Multi-pronged strategy across all 8 Wards

\$103 Million committed from the Housing Production Trust Fund

- DHCD Funding
 - Projects include Northwest Commons and Emory House
- DMPED Land Dispositions
 - 30% of housing affordable at 30% AMI & 50% AMI
- Housing Preservation Strike Force
 - Implementing recommendations, including preservation unit at DHCD
- Strengthening Inclusionary Zoning
- Homeownership and Vacant Properties

Affordable Housing Completed & Under Construction
Through January 2017



Affordable Housing Tracker

Updated Feb 2, 2017

	Housing Production Snapshot		Production Since Jan. 2015	
	Under Construction	Pipeline	Delivered	Started*
Projects	75	45	86	73
Affordable Units	4,605	3,760	3,140	4,357
0-30% AMI	1,298	1,149	<small>*Started Includes projects for which financing closed or construction started. AMI = Area Median Income. AMI is \$109,200 for a family of four. Table includes DMPED, DHCD, IZ, DCHA, and DCHFA projects.</small>	
31-50% AMI	734	915		
51-80% AMI	2,442	1,696		

Updated monthly at
open.dc.gov/economic-intelligence

Job Creation: DMPED Real Estate Projects



As of Jan 2017

	Under Construction	Pre-Development	In Negotiation	Total
Projects	18	12	10	40
Total Project Costs	\$4.4B	\$1.1B	\$1.5B	\$7.0B
Construction Jobs ¹	10,050	2,905	2,677	15,632
Permanent Jobs	11,584	1,869	2,671	16,124
EIM Total Jobs ²	21,634	4,774	5,348	31,756

¹Full-year equivalent

²Economic Impact Model estimate for total direct permanent tax revenue over 30 years plus construction period tax revenue
Note: Table includes only DMPED Development Portfolio and Public projects in the construction, pre-development, and negotiation phases. The table does not include an additional projects in the planning, RFP development, and solicitation phases.

Business Development: Economic Strategy

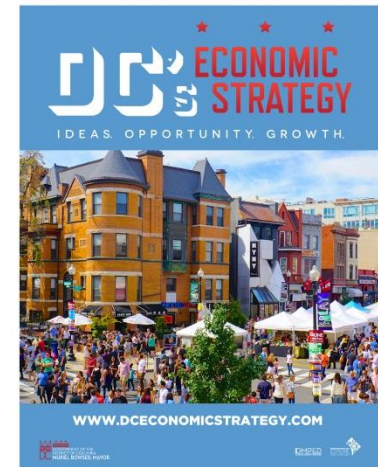
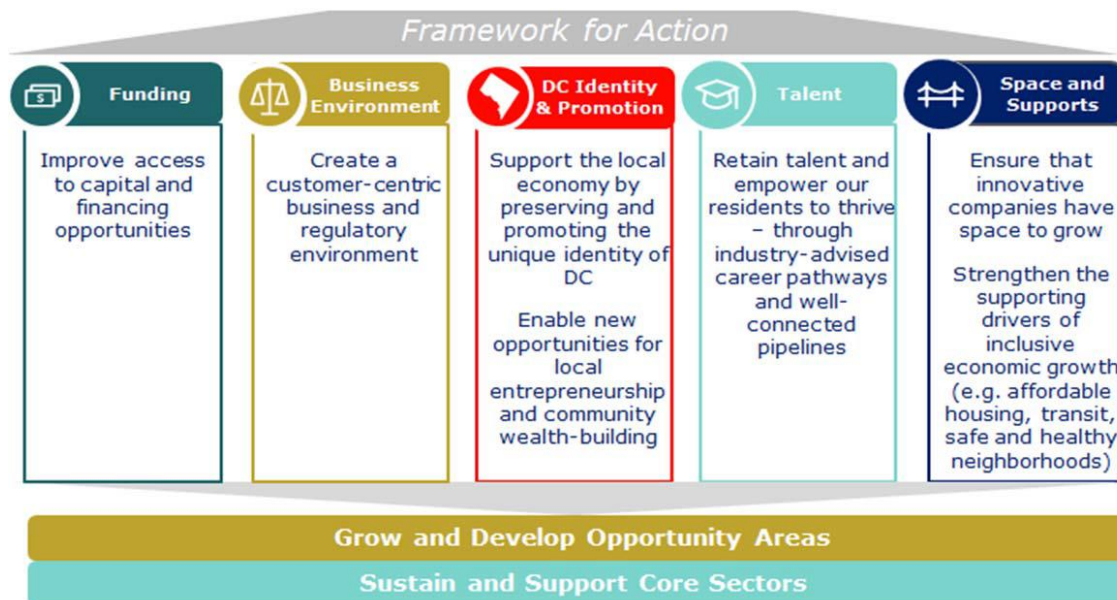
Economic Strategy: Framework for action

Growth: Continuing to Support and encourage a thriving economy across all of DC's Major Economic Sectors.

Innovation: Harnessing the potential of new technologies and trends to grow and disrupt traditional industries, as well as explore new and emerging business models and sectors.

Inclusiveness: Residents from all backgrounds, neighborhoods, and income levels have an opportunity to contribute and benefit from a prosperous District.

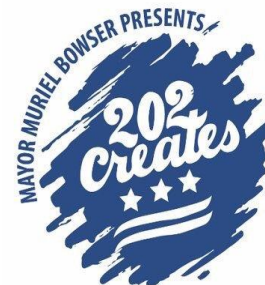
Economic Resilience: Developing an economy that is diversified in focus across core and new industrial sectors as well as across the District's communities.



Business Development: Tech, Innovation, and Creators

Making DC a leader in Inclusive Innovation

- **Pathways to Inclusion report** released in 2016
- **In3** opening with partners Howard University and Luma Labs in March 2017
- **SXSW DC delegation** including Made in DC and music
- **InnoMAYtion** showcasing DC's innovation ecosystem
- **202 Creates** featuring artists, makers, and entrepreneurs
 - A month of events, continuing year-round, to showcase the District's diverse and vibrant creative economy in all 8 Wards.



Promoting business development across all 8 Wards



- **Great Streets**
 - Total of 109 businesses received grants in FY15 and FY16 with a total investment of \$6.7M
- **Industrial Revenue Bond (IRB) Tax Exempt Bond Financing Program**
 - 15 Projects financed in FY16 totaling \$620M
- **Far Southeast Family Collaborative/ Busboys and Poets**
 - Along MLK Jr. Avenue corridor in Historic Anacostia

DMPED

Fall 2016 Legislation

.....➔ **10** projects will produce➔

 799 units of
affordable
housing

 over
4,400
construction
& permanent
jobs

\$865M  in tax revenue
over 30+ years



New Communities Initiative

1041 Units Completed:

305 Replacement Units
483 Affordable Units
253 Market Rate Units

Barry Farm

- Offsite construction completed
- Currently in predevelopment
- Demolition and Disposition application approved
- 346 units completed; over 1400 units planned

Lincoln Heights/Richardson Dwellings

- Currently in the planning stage
- 105 units completed; over 500 units planned
- 5201 Hayes Street Offsite currently in construction
- Strand Development Finance Agreement approved by Council

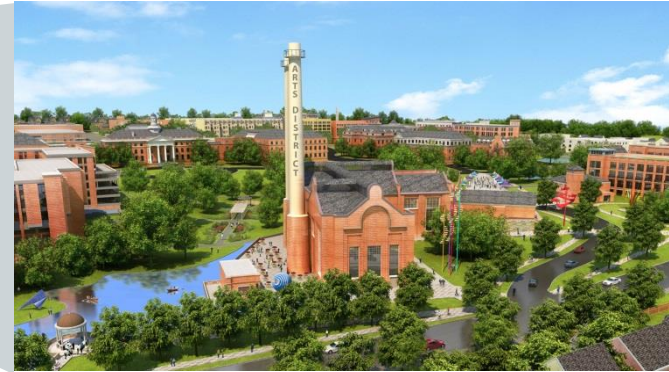
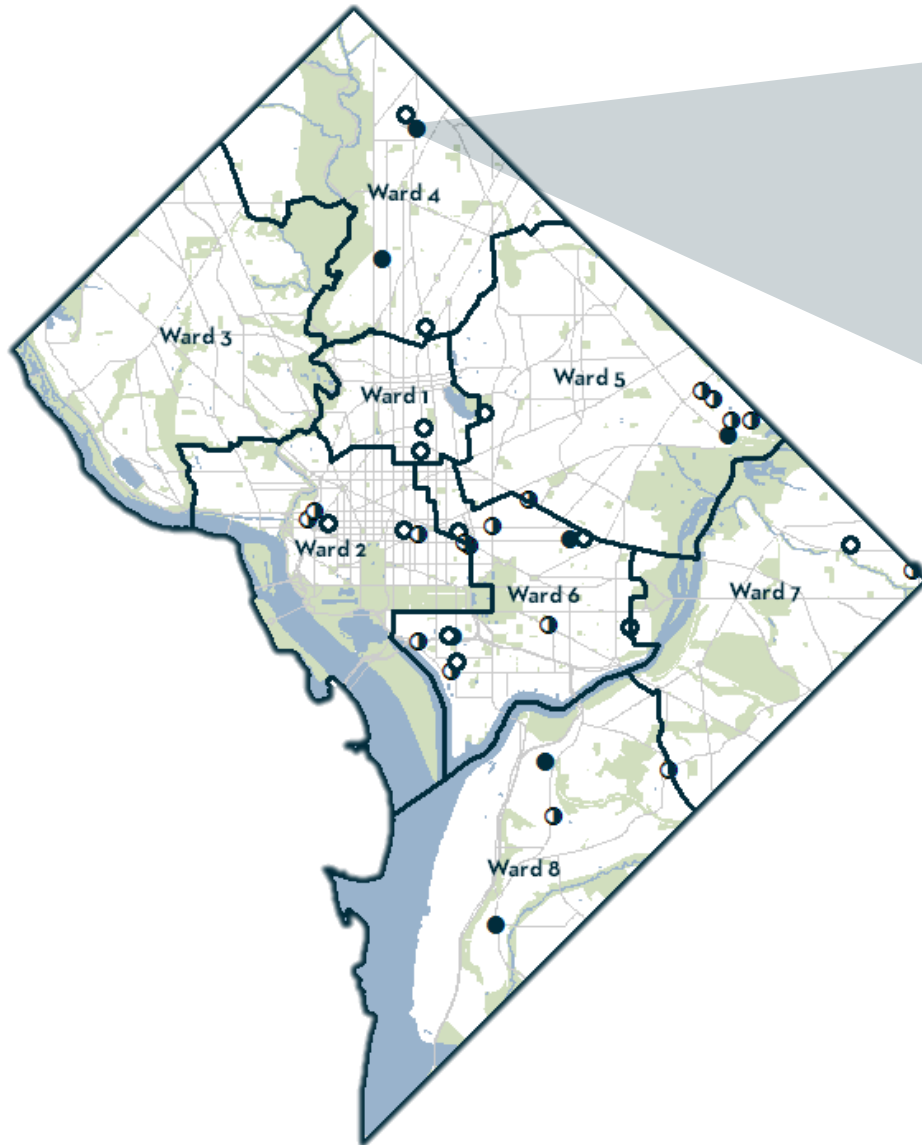
Northwest One

- OurRFP completed, RFP issued
- Over 500 units completed; 200+ units planned

Park Morton

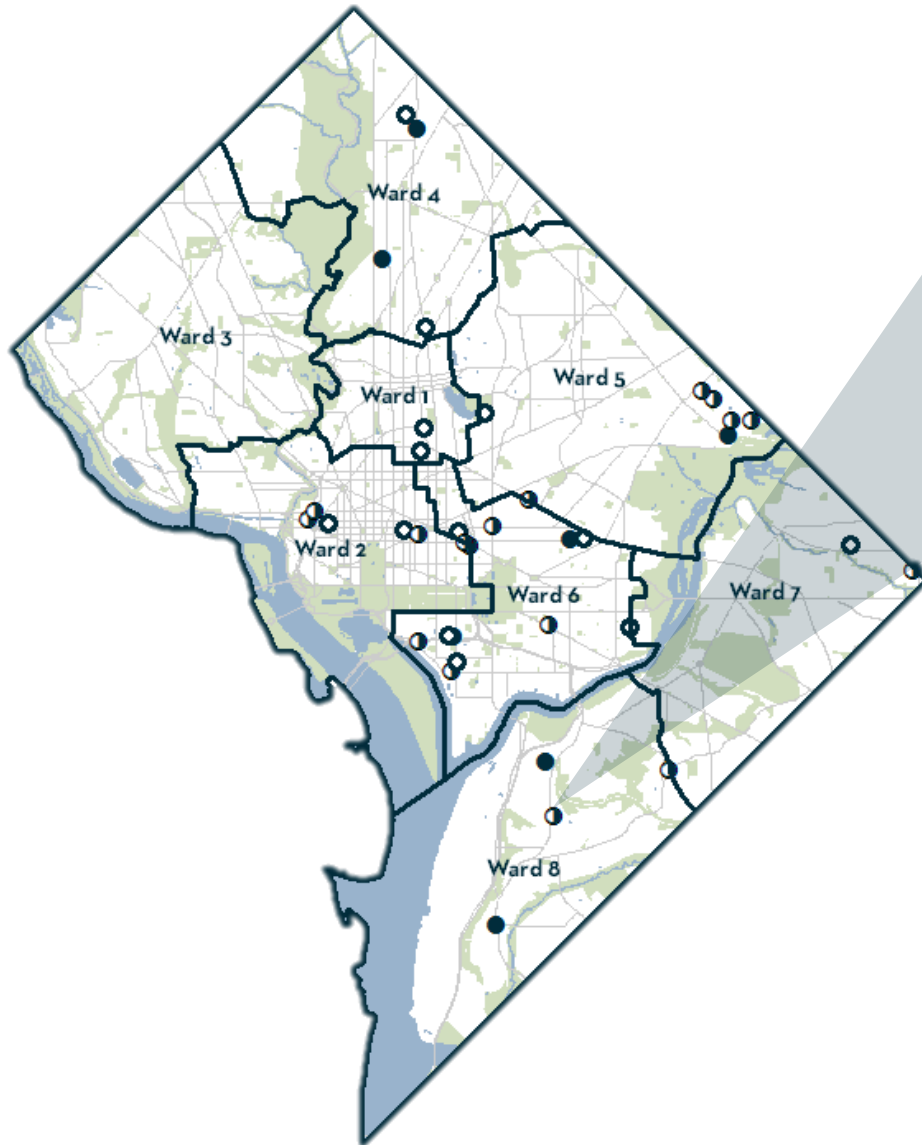
- Bruce Monroe LDA approved by Council
- 83 Units completed; 462 units planned

Real Estate Highlights: Walter Reed



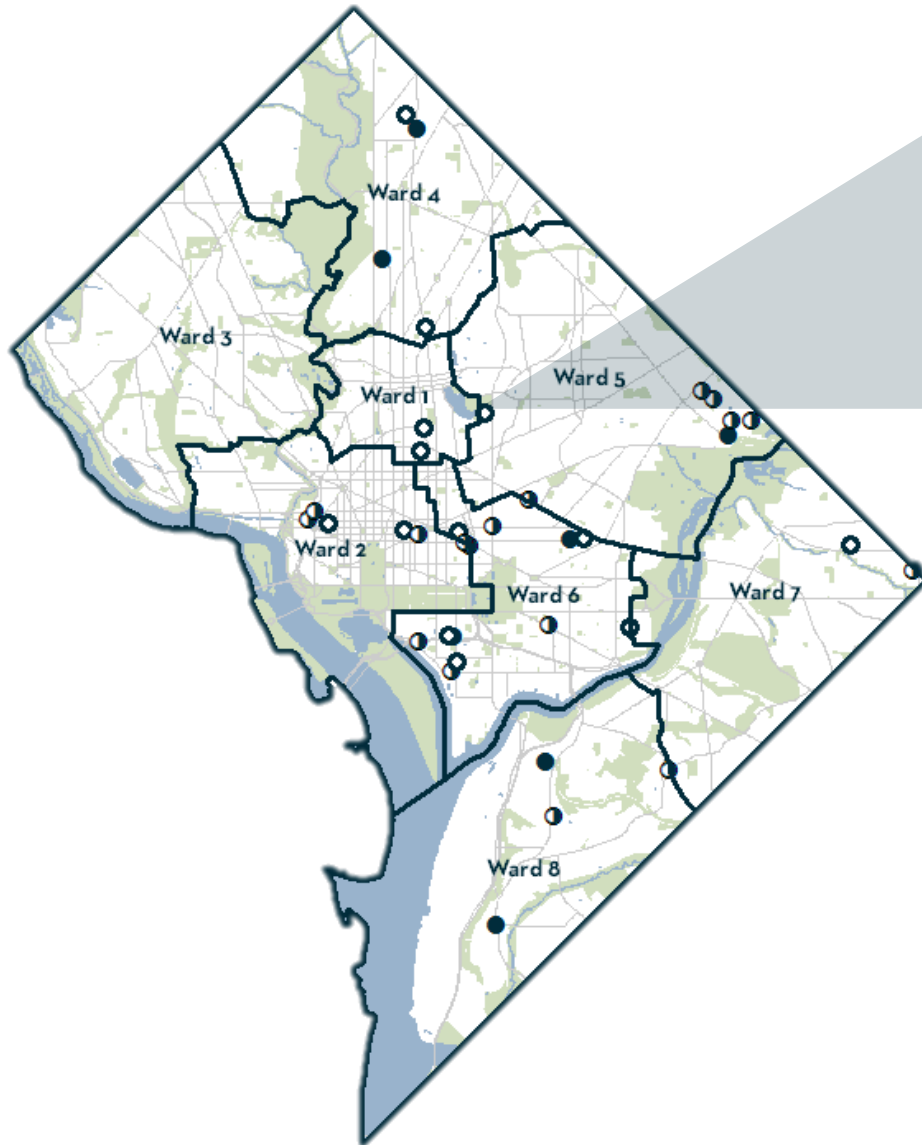
- 67-acre former army medical center will include:
 - 2,100 housing units, including veterans' housing
 - 2 charter schools
 - Neighborhood-serving retail & large grocer
 - Healthcare
 - Open space
- Fall 2016: Finalized land purchase from Army
- Fall 2016: NOI Pre-development and Charter School Groundbreaking
- 2017: Site Activation/Interim Uses

Real Estate Highlights: St Elizabeths East



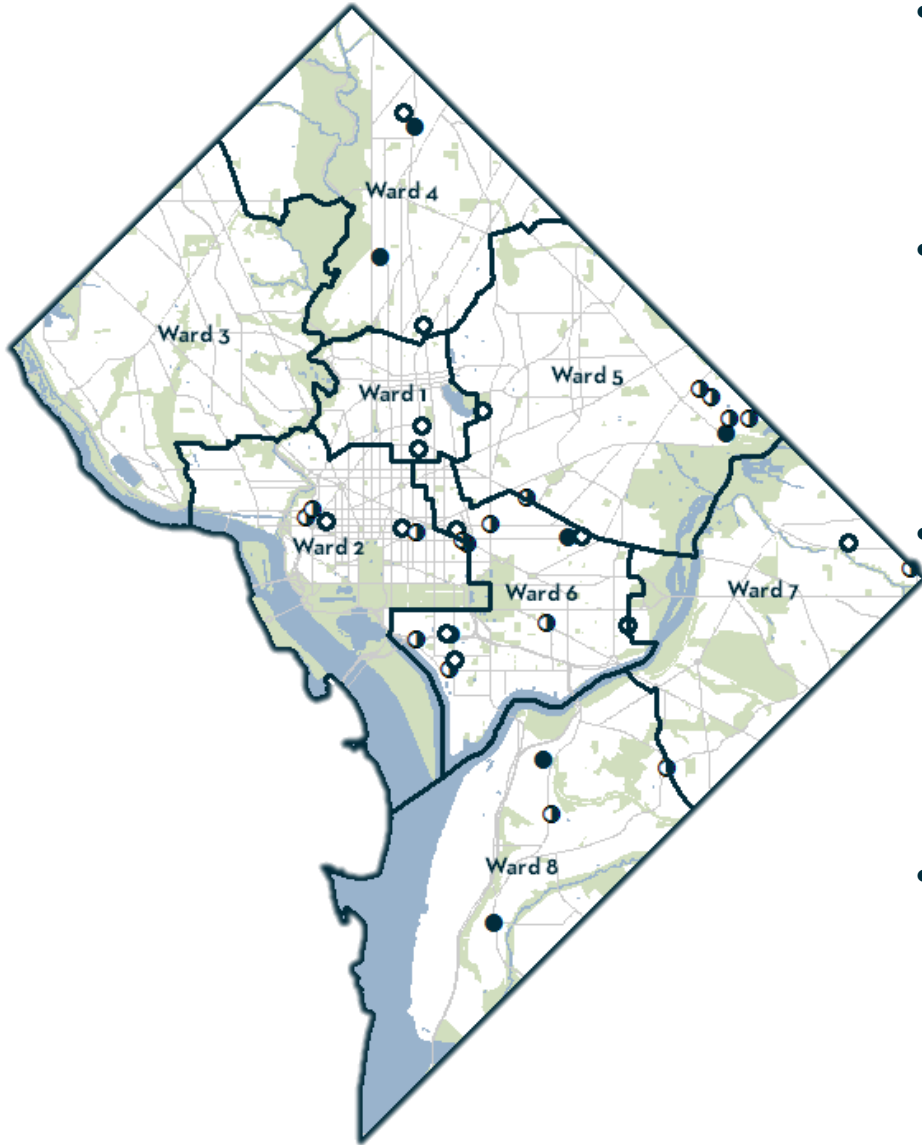
- 183-acre east campus of former mental health facility has been primarily vacant for decades
- Phase 1 Approved by Council; LDA signed by the developer
- Entertainment & Sports Arena (ESA) anticipated to complete in Fall 2018
- First stage of Infrastructure work (including demolition) to complete in 2018

Real Estate Highlights: McMillan



- Will feature 12 acres of public, open and green space; a 6.2 acre park; community center with a pool; a full-service grocery store; restaurants and retail; about 650 units of housing (20% of those affordable); and healthcare facility space.
- The groundbreaking occurred in December. DMPED is working closely with DGS to complete critical stabilization and preservation work.
- The remanded cases before the Zoning Commission and Mayor's Agent for Historic Preservation will occur this Spring and Summer. Both are limited-scope hearings to respond to the Court of Appeals' Decision.¹⁸

Real Estate Highlights: Notable Milestones



- **DC United:** Broke ground on Audi Field February 27, 2017
 - The Stadium site was delivered to DC United on Sept 30, 2016
- **Capitol Crossing:** As of June 2016, the North Block platform was completed.
 - Projected to create 4,000 construction jobs and support 6,500 permanent jobs.
- **The Wharf:** Hotel Agreements finalized with Hyatt House and the Hilton Canopy
 - Projected to create 1,150 construction jobs and 2,100 permanent jobs.
 - First opening in October 2017.
- **Franklin School:** Development Team Selected
 - Will transform the historic space into Planet Word, an interactive language arts museum and education space.